Law Offices of Susheela Verma

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July 23, 2008

Honorable William J. Martini United States District Court District of New Jersey, Newark 50 Walnut Street Newark, NJ 07102

RE: DOCTOR'S ASSOCIATES, INC. V. JESAL DESAI, ET AL **CIVIL ACTION NUMBER: 08-3363 (WJM)** DEFENDANTS' OBJECTION TO THE PROPSOED DRAFT OF THE ORDER

Dear Judge Martini,

Upon receipt of the proposed draft of the Order from the plaintiff's attorney, I had advised him to the effect that I will have objections to the same (please see Exhibit "A"). It was my understanding that the plaintiff's counsel shall wait for my comments prior to submitting a proposed draft to the Court. As he did not wait, I am submitting my objections directly to the Court. I request the following amendments to the proposed draft:

- 1. The first four lines of the Order should read as follows:
- "This matter having come before the Court upon an Order to Show Cause Application of the plaintiff Doctor's Associates, Inc., signed by Honorable William J. Martini, U.S.D.J. on July 8, 2008, seeking injunctive relief against the Defendants enjoining them from the use of the Federally registered SUBWAY...".
- 2. Page 2, lines 7 to 15. This part of the Order can be simplified by replacing the existing text with the following:
- "and the Court finding that this action is not barred by the pending Essex County, Chancery Division matter between the parties"

Filed 07/23/2008

While the Court made comments on the issue of the jurisdiction, there was no discussion concerning the removal of this action. Therefore, the language contained in lines 11 to 15 is inappropriate and should be deleted.

- 3. Page 2, line 14. After the word "has", the word "preliminarily" should be added.
- 4. Page 2, last line. I request that the date of August 4 be changed to August 18, 2008. The reasons for this request are outlined in the letter, attached hereto as Exhibit "B", addressed to Your Honor which was submitted via fax.
- 5. The following needs to be added to the Order:
- "The defendants are permitted to move to dissolve these restraints upon 2 days notice to the plaintiff."
- b. For appeal purposes, the effective date of the Order shall be August 2008 and the time the defendants may have to appeal from this decision under the Court Rules shall run from this date.

Respectfully submitted,

Susheela Verma, (sv-4472) Attorney for the Defendants

Enc.

Submitted Electronically with the attachments

Exhibit "A"

LAW OFFICES OF SUSHEELA VERMA

One Woodbridge Center Suite 810 Woodbridge, NJ 07095 732-596-1140 Fax: 732-596-1150

July 22, 2008

Forrest S. Turkish, Esq. 595 Broadway Bayyone, NJ 07002

Re: DOCTOR'S ASSOCIATES, INC. V. JESAL DESAI ET AL CASE NO. 08-3363
PROPOSED DRAFT OF THE ORDER

Dear Mr. Turkish,

I reviewed the proposed draft of the order that you faxed. I do have objections to the same and will be suggesting certain modifications. Unfortunately, today I have several emergent issues I must deal with. You will receive my comments tomorrow. Further, I have requested the court to extend the gap period to 2 more weeks.

I would like to take this opportunity to request that your client set up a royalty payment mechanism with my clients so that they can start making the royalty payments.

Thank you

Susheela Verma

Via Fax Only Cc: Jesal Desai

Exhibit "B"

Law Offices of Susheela Verma

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July 22, 2008

Honorable William J. Martini United States District Court District of New Jersey, Newark 50 Walnut Street Newark, NJ 07102

RE: DOCTOR'S ASSOCIATES, INC. V. JESAL DESAI, ET AL CIVIL ACTION NUMBER: 08-3363 (WJM)

Dear Judge, Martini,

As you are aware, I represent the defendants in the above referenced matter. During the Order to Show Cause hearing that took place before Your Honor on July 21, 2008, Your Honor stated that if the defendants propose a viable royalty payment plan, the Order imposing restraints upon my client may be withdrawn by the court. As I had stated, the plaintiff refused to accept the royalty payments from my clients because of its position that the franchise agreements had been terminated.

I do believe that my client can come up with a viable solution to the concerns raised by the court (the non payment of the royalties). To present a plan to the Court, we will need time to gather all the accounting and sales information for approximately one year time period. Your Honor had given us 14 days to present a plan. Unfortunately, my client had to leave for Las Vegas last night to attend the Subway Convention. She is coming back towards the end of this week. I am scheduled to go on a short vacation on Saturday July 26, 2008. I would be back on Friday August 1, 2008. As there are four businesses involved, the information we need to review and analyze is complex and will require some time. My client's absence during this week and my absence during the next week will make it impossible to present anything sensible to the court. Therefore I request the court to give us 2 additional weeks to work on it and present the same.

The approach suggested by Your Honor may turn out to be very constructive and sensible and may eliminate additional litigation on the present issue and a serious conflict between the decisions of the Federal and the State courts.

By copying my adversary on this letter, I am seeking his consent to this extension. I am further requesting him to instruct his client to set up a royalty payment mechanism with my client so that the defendants can commence payment for future sales.

I thank the court for entertaining this request.

Respectfully submitted,

Susheela Verma

Attorney for the Defendants

Via Fax and Regular Mail

CC: Forrest Turkish, Esq., via fax

Cc: Jesal Desai, via email

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